

ATTACHMENT 1

Response to Question 9

This application qualifies for streamlined processing under Section 63.12(c)(1)(ii), 47 C.F.R. § 63.12(c)(1)(ii) of the Commission’s rules because Modern Digital Communications (USA) Inc. (“Applicant”) qualifies for a presumption of non-dominance under Section 63.10(a)(3) of the Commission’s rules. Applicant is entitled to non-dominant treatment on the U.S.-Canada route. Applicant’s affiliated foreign carrier in Canada, Modern Digital Communications, Inc., is a new entrant in that destination market and, thus, lack sufficient market power to affect competition adversely in the U.S. market. The telecommunications market in Canada is highly competitive, and Modern Digital Communications, Inc., which has trivial market share, competes directly with carriers the FCC has previously classified as dominant—Bell Canada, Island Tel. Manitoba Telecom Services, Inc., BC Tel, Maritimi Tel&Tel, NewTel Communications, NBTel, and Telus. Moreover, Modern Digital Communications, Inc. does not control bottleneck facilities in Canada. Accordingly, pursuant to Section 63.10(a)(3) of the Commission’s rules, 47 C.F.R. § 63.10(a)(3), Applicant is entitled to non-dominant status on the U.S.-Canada route.

Response to Question 10

Applicant certifies that it will only provide switched services over private lines to those destination countries to which the FCC has authorized the provision of switched services over private lines.

Response to Question 11

Applicant certifies that Modern Digital Communications, Inc., Applicant’s parent, is a “foreign carrier” as the term “foreign carrier” is defined in Section 63.09(d) of the Commission’s Rules. 47 C.F.R. § 63.09(d). Applicant further certifies that it is “affiliated” with a foreign carrier within the meaning of Section 63.09(e) of the FCC’s Rules to the extent that it is a wholly-owned (100%) U.S. subsidiary of Modern Digital Communications, Inc. 47 C.F.R. § 63.09(e). Applicant seeks to provide service to Canada—a WTO Member country. 47 C.F.R. § 63.18(j). In addition, Modern Digital Communications, Inc. holds licenses to provide telecommunications services in Canada. As described in detail in response to Question 9, Modern Digital Communications, Inc. lacks sufficient power to affect competition adversely in the U.S. market, and consequently should qualify for non-dominant classification.

Response to Question 12

Applicant certifies that:

- Applicant proposes to provide facilities-based and resale international telecommunications services between the United States and all international destinations, except those listed on the FCC’s exclusion list.
- The countries that Applicant proposes to serve, thus, include Canada, a jurisdiction in which Applicant’s parent, Modern Digital Communications, Inc., is a foreign carrier.
- Modern Digital Communications, Inc. owns 100 percent of Applicant.